



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-879]

Certain Corrosion-Resistant Steel Products from the Republic of Korea: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of certain corrosion-resistant steel products from the Republic of Korea. The period of review (POR) is January 1, 2020, through December 31, 2020.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Zachariah Hall or Dennis McClure, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6261 or (202) 482-5973, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of this administrative review on August 5, 2022.¹ For a description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.²

¹ See *Certain Corrosion-Resistant Steel Products from the Republic of Korea: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2020*, 87 FR 47973 (August 5, 2022) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Issues and Decision Memorandum for the Final Results and Partial Rescission of the 2020 Administrative Review of the Countervailing Duty Order on Certain Corrosion-Resistant Steel Products from the Republic of Korea,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Scope of the *Order*³

The products covered by this *Order* are certain corrosion-resistant steel products. For a complete description of the scope of this *Order*, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in interested parties' case briefs are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues raised by parties, and to which Commerce responded in the Issues and Decision Memorandum, is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the *Preliminary Results*

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the Issues and Decision Memorandum, we made certain revisions to the subsidy calculations for KG Dongbu Steel Co., Ltd. (KG Dongbu).⁴ As a result of the changes to KG Dongbu's program rates, the final rate for the six non-selected companies under review also changed.⁵

³ See *Certain Corrosion-Resistant Steel Products from India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016) (*Order*).

⁴ On October 21, 2022, we determined that KG Steel Corporation (dba KG Dongbu Steel Co., Ltd.) is the successor-in-interest to KG Dongbu Steel Co., Ltd. See *Certain Cold-Rolled Steel Flat Products and Certain Corrosion-Resistant Steel Products from the Republic of Korea: Final Results of Antidumping and Countervailing Duty Changed Circumstances Reviews*, 87 FR 64013 (October 21, 2022). Additionally, we note that KG Dongbu Steel Co., Ltd. was the successor-in-interest to Dongbu Steel Co., Ltd. See *Certain Corrosion-Resistant Steel Products from the Republic of Korea: Final Results and Partial Rescission of Countervailing Duty Administrative Review*; 2019, 87 FR 2759 (January 19, 2022).

⁵ For details on the changes made since the *Preliminary Results*, see the Issues and Decision Memorandum.

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶ For a description of the methodology underlying all of Commerce's conclusions, *see* the Issues and Decision Memorandum.

Companies Not Selected for Individual Review

There are six companies for which a review was requested, but which were not selected as mandatory respondents or found to be cross-owned with a mandatory respondent. These companies are: POSCO; POSCO Coated & Color Steel Co., Ltd.; Samsung Electronics Co., Ltd.; SeAH Coated Metal; SeAH Steel Corporation; and SY Co., Ltd. For these six companies, we applied the final subsidy rate calculated for KG Dongbu, as this rate is the only rate calculated for a mandatory respondent that was above *de minimis* and not based entirely on facts available. This methodology for establishing the subsidy rate for the non-selected companies is consistent with our practice and with section 705(c)(5)(A) of the Act.

Final Results of Review

We determine that, for the period January 1, 2020, through December 31, 2020, the following total net countervailable subsidy rates exist:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
KG Steel Corporation/KG Dongbu Steel Co., Ltd. ⁷	9.47

⁶ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁷ Based on the October 21, 2022, successor-in-interest finding noted in footnote 4, *supra*, KG Steel Corporation (dba KG Dongbu Steel Co., Ltd.) is subject to the cash deposit rate determined in this review. Additionally, we note that Dongbu Incheon Steel Co., Ltd. (Dongbu Incheon) merged with Dongbu Steel Co., Ltd., on March 1, 2020. Therefore, Dongbu Incheon is no longer eligible for its own cash deposit rate. See KG Dongbu's Letter, "Dongbu's Initial Questionnaire Response" dated November 29, 2021, at 1. However, we intend to liquidate any entries of subject merchandise during the POR associated with Dongbu Incheon at the *ad valorem* rate listed above for KG Steel Corporation/KG Dongbu Steel Co., Ltd.

Hyundai Steel Company	0.27 (<i>de minimis</i>)
Review-Specific Rate Applicable to Non-Selected Companies	
POSCO	9.47
POSCO Coated & Color Steel Co., Ltd.	9.47
Samsung Electronics Co., Ltd.	9.47
SeAH Coated Metal	9.47
SeAH Steel Corporation	9.47
SY Co., Ltd.	9.47

Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment Rate

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the above-listed companies at the applicable *ad valorem* assessment rates listed. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Rates

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above on shipments of the subject merchandise entered, or withdrawn from warehouse for consumption on or after the date of publication of the final results

of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposits, effective upon the publication of the final results of this review, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(5).

Dated: February 1, 2023.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

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 - Comment 2: Whether Commerce's Determination that Port Usage Rights Provide a Countervailable Benefit Is Unsupported by Evidence and Contrary to Law
 - Comment 3: Whether the Korea Emissions Trading System (K-ETS) Is Countervailable
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 - Comment 6: Whether KG Dongbu Is Equityworthy and the 2015-2018 Debt-to-Equity Swaps Should Be Countervailed
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